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April 12, 2000

RECEIVED
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 - 12th Street, SW - Room TWB-204
Washington, D.C. 20554

Re: Notice of Ex Parte meeting
Second Application by BellSouth Telecommunications, Inc. and BellSouth
Long Distance, Inc. for Provisioning of In-Region, interLATA Service in
Louisiana, CC Docket No. 98-121

Dear Ms. Roman Salas:

On Wednesday April 12, 2000, Rob Middleton, Robin Wolkoff, David Brock, and I of AT&T met with Larry Strickling, Bob Atkinson, both of the Common Carrier Bureau and Johanna Mikes and Ann Stevens, both of the Common Carrier Bureau's Policy and Program Planning Division, to discuss issues related to the foregoing proceeding. Specifically, we discussed the why the PIC selection process must be a competitively neutral process consistent with the Commission's decision in the Ameritech Michigan 271 Order. The attached document was presented and discussed during the meeting. The views expressed by AT&T at this meeting were consistent with its written comments on file at the Commission.

No. of Copies rec'd 0+2
List ABCDE

Two copies of this Notice are being submitted to the secretary of the FCC in accordance with Section 1.1206(a)(1) of the Commission's rules.

Sincerely,

Cw f/Robert Quinn

Attachment

cc: Larry Strickling
Bob Atkinson
Johanna Mikes
Ann Stevens
Glenn Reynolds
Mark Seifert
Tonya Rutherford
Richard Welch
Brad Berry

BELL ATLANTIC ADDITIONAL LINE TEST CALL STUDY

MARCH, 2000



AT&T

Customer Sciences

Background and Purpose

When adding another telephone line to the household, consumers must contact their local telephone company. At that time, they must also choose a long distance company for the new phone line.

The purpose of this study was to understand the procedures that Bell Atlantic employs in marketing its LD service to customers establishing service for additional phone lines in New York. When provisioning an additional line, Bell Atlantic is permitted to recommend its own LD service, but must contemporaneously:

- state that the customer has a choice of LD providers (even if the customer does not ask about LD provider options)
- offer to read a list of the available LD providers (even if the customer does not ask to hear a list of their LD company options)

Additionally Bell Atlantic is not permitted to use its privileged information regarding the customer's LD provider on their primary line, in order to encourage switching to Bell Atlantic LD service for the existing line.

Compliance with the above rules was assessed through test calls to Bell Atlantic's residential service office.

Methodology

Elrick & Lavidge, an independent marketing research firm, placed a total of 300 test calls to Bell Atlantic customer service to request additional phone lines for existing residential accounts. Each test caller lived in New York state, and had Bell Atlantic local telephone service. Both those who had AT&T and OCC LD service on their primary line were included in this study.

All calls were placed to the Bell Atlantic residential service number found in the local Bell Atlantic phone book. Calls were placed between March 8-17, 2000, and were dispersed throughout the day and evening, on weekdays and on Saturday. Callers queried Bell Atlantic representatives using a structured script that detailed the specific information that should be shared with the Bell Atlantic representative. In particular, test callers were instructed:

- not to indicate which LD provider was desired for the new line (to say "Oh, I'm not sure" if the Bell Atlantic representative asked which long distance company was desired)
- not to ask the Bell Atlantic rep which LD providers were available
- not to specify which LD provider is being used for the existing line unless asked by the Bell Atlantic representative

Before hanging up, each caller cancelled their order by indicating that they needed to consult another household member and did not want the order placed at this time.

After close examination of the completed call sheets, Elrick & Lavidge made a decision to pull 39 of the test calls and not include them in the final set of data. This was done because it was felt that the call was terminated too quickly, and as such, did not provide Bell Atlantic with adequate opportunity to be compliant. Therefore, the results stated in this report are based on a total of 261 test calls.

Summary of Findings

Did Bell Atlantic market its LD services for the additional line being ordered?

- Bell Atlantic reps very ardently promote Bell Atlantic long distance service. Over half (55%) of the callers were informed that Bell Atlantic currently offers LD service, and were asked if they wanted Bell Atlantic long distance service for the new line. Furthermore, in roughly half (47%) of the calls, Bell Atlantic was the only company mentioned for long distance service on the new line.

Did the Bell Atlantic rep indicate that the caller had a choice of LD providers, independent of the caller's prompting?

- In two out of three (64%) test calls, callers were not told by the Bell Atlantic rep that they have a choice of companies to provide long distance service on their new line.

(See Exhibit 1)

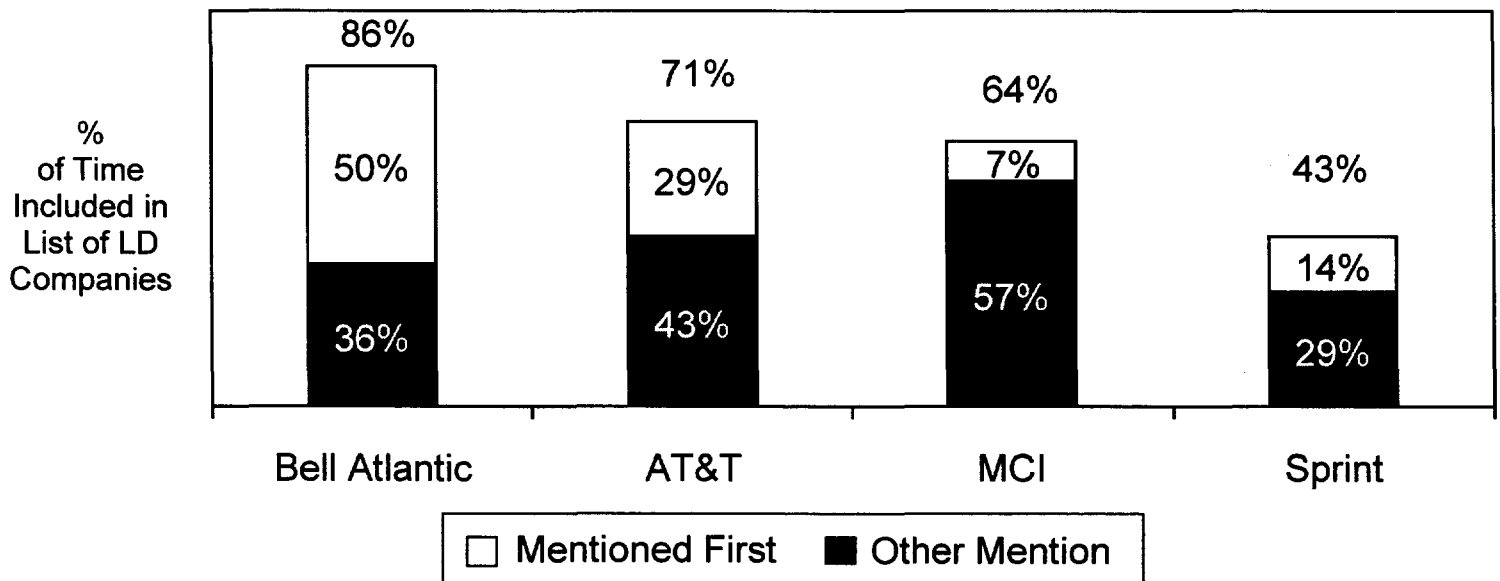
Did the Bell Atlantic rep offer to read a list of available LD providers, independent of the caller's request to hear a list?

- The Bell Atlantic representatives very rarely (5%) offer to read a list of companies available to provide long distance service on the new line.
 - Even when the Bell Atlantic representatives indicate that a choice of LD providers is available, a list of the available options is only read in 15% of the cases.

	<u>Total %</u>	<u>Total #</u>
<u>Rep indicated that there is a choice of LD companies</u>	<u>36%</u>	<u>94</u>
Rep offered to read list of companies	5%	14
Rep did not offer to read list of companies	95%	247
Rep did not indicate that there is a choice of LD companies	64%	167

(See Exhibit 1)

- When a list of LD carriers is provided, Bell Atlantic is part of that list more often than any other LD company. Bell Atlantic is included on the list 86% of the time; 50% of the time Bell Atlantic is mentioned first and only once is Bell Atlantic mentioned last. Most typically, the list includes some combination of the major LD players in addition to Bell Atlantic - AT&T, MCI, Sprint.



Did Bell Atlantic market its LD service for the caller's primary line?

- Overall, in approximately one quarter (26%) of the calls, the Bell Atlantic rep indicated knowledge of which LD company was being utilized for the caller's primary line.
- In 5% of the calls, the rep attempted to convince the caller to switch the primary phone line to Bell Atlantic for LD service. This was done fairly comparably, regardless of whether or not the rep indicated knowledge of the LD provider on the existing line.

	<u>Total %</u>	<u>Total #</u>
<u>Rep asked caller to switch primary</u> <u>line to Bell Atlantic LD</u>	<u>5%</u>	<u>13</u>
Rep indicated knowledge of LD PIC	3%	8
Rep did not indicate knowledge of LD PIC	2%	5

(See Exhibit 2)

- In most instances (10 out of 13), when soliciting Bell Atlantic LD service for the primary line, the rep came right out and asked "Do you want to switch your other line to Bell Atlantic also?" Other ways of trying to persuade customers to switch to Bell Atlantic for their primary line included:
 - "Bell Atlantic could match MCI's 10¢ per minute."
 - "Depending on how many long distance calls you make, it might be to your advantage to switch."
 - "Are you aware that another carrier had your long distance? We could take care of that for you at a flat rate – no charges unless you used long distance service."

Exhibit 1
Were Callers Informed of Their LD Provider Choices?

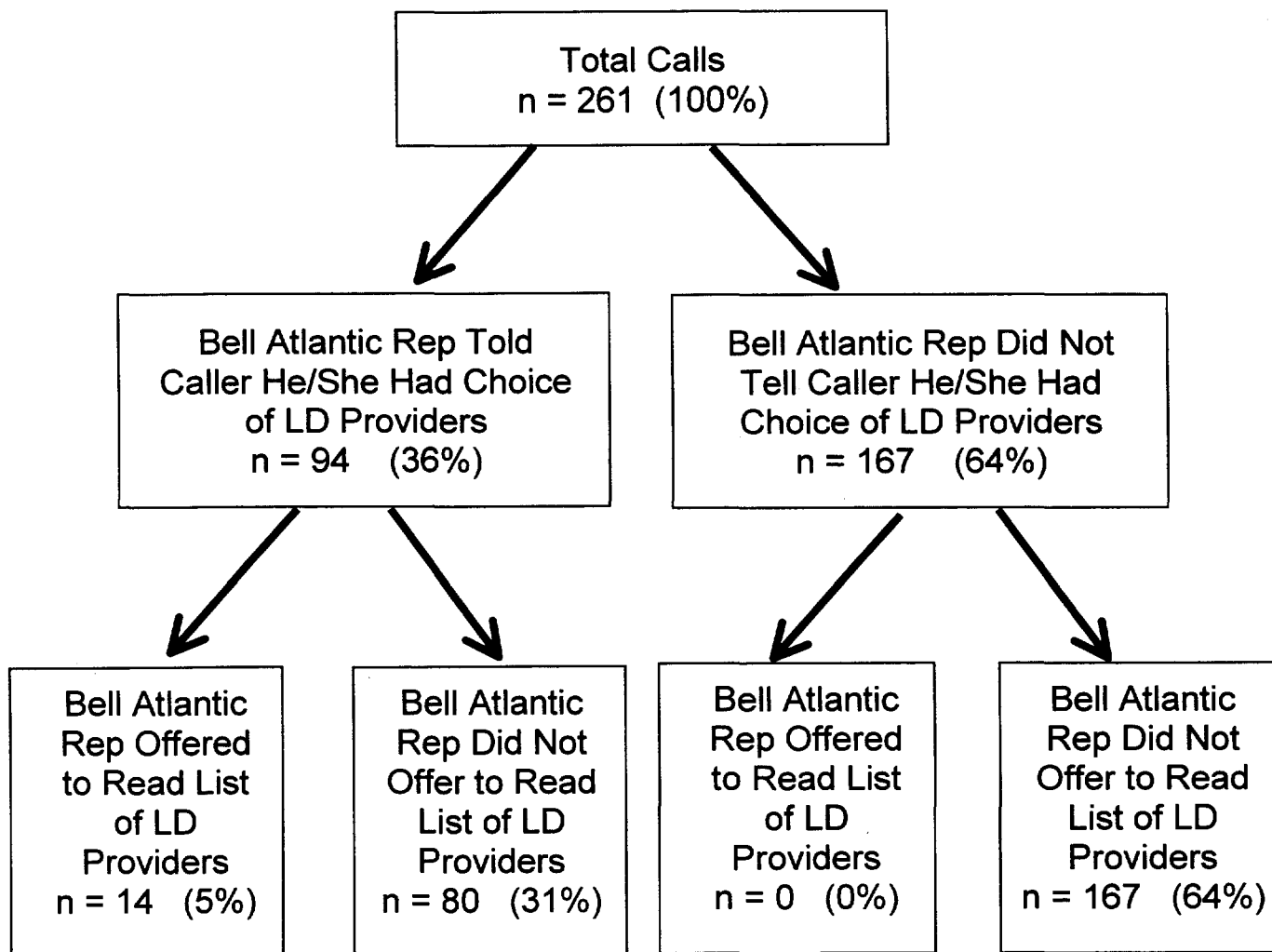
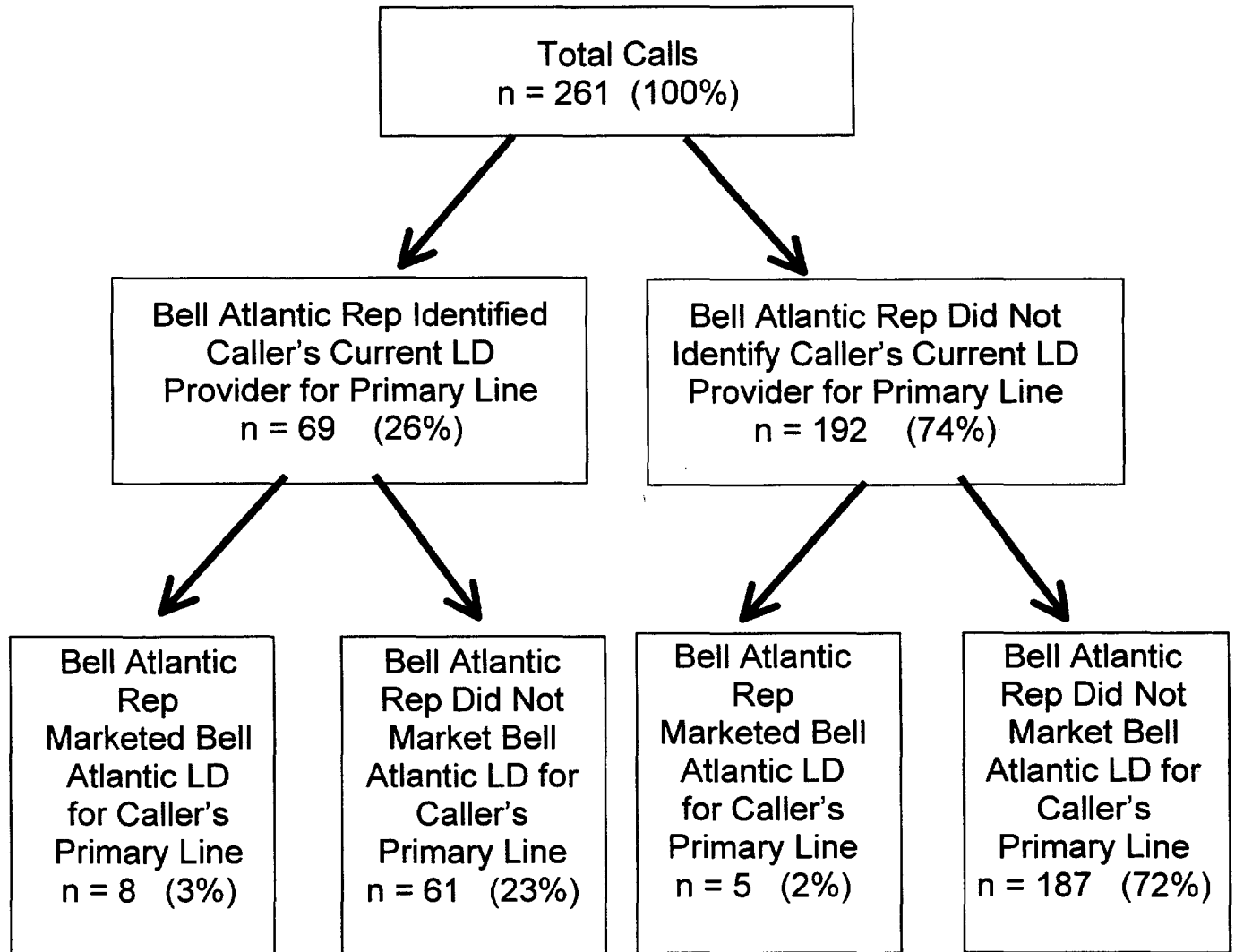


Exhibit 2
Did Bell Atlantic Utilize Knowledge of Customer LD Provider on
Primary Line?



APPENDIX

AT NO TIME DURING THIS CALL ARE YOU TO ASK WHICH LONG DISTANCE COMPANIES ARE AVAILABLE FOR THE NEW LINE.

Elrick & Lavidge
Mack Centre II
One Mack Centre Drive
Paramus, NJ 07652
(201) 599-0755

Project # 151-07745
March 7, 2000

TEST CALL – ADDITIONAL LINE

1. **RECORD YOUR TELEPHONE NUMBER:** () - -
2. **RECORD DATE OF CALL:** 3 / / 00 **RECORD TIME CALL BEGAN:** : am/pm
RECORD TIME CALL ENDED: : am/pm
3. **DIAL THE NUMBER FOR BELL ATLANTIC “RESIDENCE SERVICE” OR OTHER APPROPRIATE CATEGORY THAT IS FOUND IN YOUR LOCAL BELL ATLANTIC PHONE BOOK. RECORD THE NUMBER DIALED:**
() - -

WHEN REP ANSWERS, ASK THE FOLLOWING QUESTIONS AND RECORD THE REP’S RESPONSES.

4. **RECORD REP’S NAME IF PROVIDED. (IF NOT PROVIDED - - DO NOT ASK)**

- (RECORD REP'S RESPONSE VERBATIM, INCLUDING ALL QUESTIONS ASKED AND STATEMENTS MADE. BE SURE TO RECORD ALL QUESTIONS ASKED AND STATEMENTS MADE REGARDING WHICH COMPANY WILL PROVIDE LONG DISTANCE SERVICE ON YOUR NEW LINE.)**

[illegible]

	YES	NO
a) Rep asked which long distance company was desired for new line	1	2
b) Rep indicated (without you prompting) that you have a choice of companies to provide long distance service for your new line	1	2
c) Without prompting, rep offered to provide (or read) a list of available long distance companies	1 → (SAY "Yes, please" AND ANSWER QUESTION 6 AND 7)	2
d) Rep provided the name of only Bell Atlantic for long distance service on your new line	1 → (SAY: "OK")	2
e) Rep indicated which long distance company you use for your existing phone line(s)	1	2
f) Rep asked if you wanted to switch your existing phone line(s) to Bell Atlantic for long distance service	1 → (SPECIFY EXACTLY HOW REP ASKED): _____ _____ _____	2

ANSWER QUESTION 6 AND 7 IF "YES" IN QUESTION 5c.

6. Which long distance company choices were you provided? **(CIRCLE ALL THAT ARE MENTIONED. IF MORE THAN ONE COMPANY IS CIRCLED, PUT A "1" NEXT TO THE COMPANY MENTIONED FIRST, A "2" NEXT TO THE COMPANY MENTIONED SECOND, ETC. IF THERE ARE TOO MANY COMPANIES LISTED FOR YOU TO RECORD, PUT A "1", "2" AND "3" NEXT TO THE FIRST 3 COMPANIES AND AN "X" NEXT TO THE LAST COMPANY.)**

	Order of Mention
Bell Atlantic.....01	_____
AT&T.....02	_____
MCI.....03	_____
Qwest.....04	_____
Sprint.....05	_____
Other (SPECIFY 1) _____06	_____
(SPECIFY 2) _____07	_____
(SPECIFY 3) _____08	_____
(SPECIFY 4) _____09	_____

7. Did you recognize any of the company names as familiar?

Yes1
No.....2

AS SOON AS THE DISCUSSION TURNS TO SCHEDULING A TIME FOR INSTALLATION OR REP BEGINS TO CONFIRM THE ORDER, SAY: "Thanks for the information, but I must check with my (INSERT FAMILY MEMBER) before you can put this order through."

MAKE SURE REP IS NOT PROCESSING THIS ORDER.

8. **CIRCLE YOUR CURRENT LONG DISTANCE COMPANY.**

AT&T.....1
MCI.....2
Sprint.....3
Other (SPECIFY) _____4